

HAWAII ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS



Hawaii is the proud home of the Honolulu Clean Cities Coalition.

Overview

Hawaii's main incentive for alternative fuel vehicles (AFVs) is income tax deductions, identical to the Federal income tax deductions, for the installation of clean fuel vehicles and refueling property. Propane used as a vehicle fuel is taxed at a lower rate than gasoline.

Highlights

\$ \$2,000 to \$50,000 state income tax deductions for the installation of clean fuel vehicles.

State Incentives

\$ The state provides income tax deductions, identical to the Federal income tax deductions, for the installation of clean fuel refueling property provided in the Energy Policy Act of 1992 (EPACT). For additional information, contact Maria Tome at the Hawaii State Energy Office at (808) 587-3809.

Utility/Private Incentives

The Gas Company, Inc. offers technical assistance, training materials, construction assistance for refueling facilities, and vehicle conversions for liquefied petroleum gas (LPG) vehicles. For additional information, contact Brad Saito at (808) 594-5584.

Oahu Gas Company performs conversions for LPG vehicles and operates several public LPG refueling stations on the island of Oahu. For more information, call Richard Frandsen at (808) 682-5796.

Laws & Regulations

In 1994, a law was passed requiring specified gasolines sold in Hawaii to contain 10% ethanol by volume. Which gasolines will be subject to the requirement (all, certain grades of gasoline, or certain percentages) will be determined in a rulemaking process in 1996. Exemptions will be allowed in the event that "competitively priced" ethanol is not available.

Administrative Directive 94-06 requires 25% of the motor vehicles acquired by the state in model year 1998 to be AFVs.

Propane receives a special fuel tax rate of 2/3 of diesel, rounded to the nearest cent. Currently, this tax is 11¢/gallon. The diesel fuel tax is 16¢/gallon.

Gasoline blended with 10% by volume of biomass-derived alcohol sold in the state is exempt from the 4% sales tax. At current rates, the value of the exemption is approximately 30¢ to 50¢ per gallon of ethanol.

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Points of Contact

Honolulu Clean Cities Coordinator

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Hawaii State Energy Office

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The Gas Company, Inc.

Brad Saito (808) 594-5584

Oahu Gas Company

Richard Frandsen (808) 682-5796

Hawaii State Transportation Contact

Department of Transportation, Highways Division
Julie Tsumoto (808) 587-1845

U.S. Department of Energy**Regional Support Offices**

Seattle Regional Support Office
Roxanne Dempsey (202) 553-2155

Pacific Site

Eileen Yoshinaka (808) 541-2564

U.S. Department of Transportation Contacts**Federal Highway Administration**

Region 9
Bob O'Loughlin (415) 744-3823

Federal Transit Administration

Region 9
Donna Turchie (415) 744-3133

General Services Administration**Regional Fleet Managers**

Region 9
Nathaniel Reed (415) 522-2880
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U.S. Environmental Protection Agency**Regional Pollution Prevention Coordinators**

Region 9
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